

General Assembly

Amendment

June Special Session, 2021

LCO No. 10981



Offered by:

REP. CANDELORA, 86th Dist.

REP. DEVLIN, 134th Dist.

REP. O'DEA, 125th Dist.

REP. PERILLO, 113th Dist.

REP. REBIMBAS, 70th Dist.

REP. ZUPKUS, 89th Dist.

REP. FISHBEIN, 90th Dist.

REP. RUTIGLIANO, 123rd Dist.

REP. CHEESEMAN, 37th Dist.

To: Senate Bill No. 1201

File No.

Cal. No.

(As Amended)

"AN ACT CONCERNING RESPONSIBLE AND EQUITABLE REGULATION OF ADULT-USE CANNABIS."

- 1 Strike subdivision (11) of section 1 in its entirety and insert the
- 2 following in lieu thereof:
- 3 "(11) "Consumer" means an individual who is twenty-five years of
- 4 age or older;"
- 5 Strike subdivision (33) of section 1 in its entirety, and renumber the
- 6 remaining subdivisions accordingly
- 7 Strike subsection (a) of section 3 in its entirety, and insert the
- 8 following in lieu thereof:

"(a) Any person [who possesses or has under his control less than one-half ounce of a cannabis-type substance, as defined in section 21a-240, except as authorized in this chapter, shall (1) for a first offense, be fined one hundred fifty dollars, and (2) for a subsequent offense, be fined not less than two hundred dollars or more than five hundred dollars.] twenty-five years of age or older may possess, use and otherwise consume cannabis, provided the amount of all such cannabis does not exceed such person's possession limit of (1) one and one-half ounces of cannabis plant material and five ounces of cannabis plant material in a locked container at such person's residence or a locked glove box or trunk of such person's motor vehicle, (2) an equivalent amount of cannabis products, as provided in subsection (i) of this section, or (3) an equivalent amount of a combination of cannabis and cannabis products, as provided in subsection (i) of this section. On and after July 1, 2023, a person's personal possession limit does not include any live plant or cannabis plant material derived from any live plant cultivated by such person in accordance with the provisions of section 162 of this act."

27 Strike subsections (c) to (e), inclusive, of section 3 in their entirety and 28 insert the following in lieu thereof:

"(c) (1) Any person eighteen years of age or older but under twenty-five years of age, who possesses or has under such person's control less than (A) five ounces of cannabis plant material, (B) an equivalent amount of cannabis products, as provided in subsection (h) of this section, or (C) an equivalent amount of a combination of cannabis and cannabis products, as provided in subsection (i) of this section, except as authorized in this chapter or chapter 420f, shall be required to view and sign a statement acknowledging the health effects of cannabis on young people and shall (i) for a first offense, be fined fifty dollars, and (ii) for any subsequent offense, be fined one hundred fifty dollars.

(2) Any person eighteen years of age or older but under twenty-five years of age, who possesses or has under such person's control (A) five ounces or more of cannabis plant material, (B) an equivalent amount of

9

10

11 12

13

14

15

16 17

18 19

20

2122

23

24

25

26

29

30 31

32

3334

35 36

37

38

39

cannabis products, as provided in subsection (i) of this section, or (C) an equivalent amount of a combination of cannabis and cannabis products, as provided in subsection (i) of this section, except as authorized in this chapter or chapter 420f, shall be required to view and sign a statement acknowledging the health effects of cannabis on young people and shall (i) for a first offense, be fined five hundred dollars, and (ii) for any subsequent offense, be guilty of a class D misdemeanor.

- (d) Any person twenty-five years of age or older, except as authorized in this chapter, chapter 420f or RERACA, who possesses or has under such person's control more than the possession limit pursuant to subsection (a) of this section, but less than (1) five ounces of cannabis plant material and eight ounces of cannabis plant material in a locked container at such person's residence or a locked glove box or trunk of such person's motor vehicle, (2) an equivalent amount of cannabis products, as provided in subsection (i) of this section, or (3) an equivalent amount of a combination of cannabis and cannabis products, as provided in subsection (i) of this section, shall for a (A) first offense, be fined one hundred dollars, and (B) subsequent offense, be fined two hundred fifty dollars.
- 61 (e) (1) Any person twenty-five years of age or older, except as authorized in this chapter, chapter 420f or RERACA, who possesses or 62 63 has under such person's control (A) five ounces or more of cannabis plant material or eight ounces or more of cannabis plant material in a 64 65 locked container at such person's residence or a locked glove box or trunk of such person's motor vehicle, (B) an equivalent amount of 66 67 cannabis products, as provided in subsection (i) of this section, or (C) an 68 equivalent amount of a combination of cannabis and cannabis products, 69 as provided in subsection (i) of this section, shall for a (i) first offense, be 70 fined five hundred dollars, and (ii) subsequent offense, be guilty of a 71 class C misdemeanor.
 - (2) For an offense under subdivision (1) of this subsection, the court shall evaluate such person and, if the court determines such person is a drug-dependent person, the court may suspend prosecution of such

49

50

51 52

53

54

55

56

57 58

59 60

72

73

person and order such person to undergo a substance abuse treatmentprogram."

- Strike subdivisions (5) and (6) of subsection (b) of section 22 in their entirety and substitute the following in lieu thereof:
- "(5) One appointed by the minority leader of the House of Representatives, who has not less than ten years of professional experience as a physician or researcher in the field of public health;
- 82 (6) One appointed by the minority leader of the Senate, who has not 83 less than five years of professional experience in providing treatment or 84 care to patients with substance abuse conditions;"
- Strike subsection (a) of section 24 in its entirety and insert the following in lieu thereof:
- "(a) Any person shall be twenty-five years of age or older to: (1) Hold any cannabis establishment license issued pursuant to RERACA; or (2) be a backer or key employee of a cannabis establishment that is licensed pursuant to RERACA."
 - Strike subdivision (14) of section 32 in its entirety and insert the following in lieu thereof:
 - "(14) Prohibiting a cannabis establishment from selling, other than the sale of medical marijuana products between cannabis establishments and the sale of cannabis to qualified patients and caregivers, (A) cannabis flower or other cannabis plant material with a total THC concentration greater than thirty per cent on a dry-weight basis, and (B) any cannabis product other than cannabis flower and cannabis plant material with a total THC concentration greater than thirty per cent on a dry-weight basis, except that the provisions of subparagraph (B) of this subdivision shall not apply to the sale of prefilled cartridges for use in an electronic cannabis delivery system, as defined in section 19a-342a of the general statutes and the department may adjust the percentages set forth in subparagraph (A) or (B) of this subdivision in regulations

91

92

93

94

95

96

97

98

99

100

101

102

103

adopted pursuant to this section for purposes of public health or to address market access or shortage. As used in this subdivision, "total THC" has the same meaning as provided in section 21a-240 of the general statutes and "cannabis plant material" means material from the cannabis plant, as defined in section 21a-279a of the general statutes; and"

- Strike subdivisions (1) to (3), inclusive, of subsection (a) of section 33 in their entirety and insert the following in lieu thereof:
- 113 "(1) Advertise cannabis, cannabis paraphernalia or goods or services 114 related to cannabis in ways that target or are designed to appeal to 115 individuals under twenty-five years of age, including, but not limited 116 to, spokespersons or celebrities who appeal to individuals under the 117 legal age to purchase cannabis or cannabis products, depictions of a 118 person under twenty-five years of age consuming cannabis, or, the 119 inclusion of objects, such as toys, characters or cartoon characters 120 suggesting the presence of a person under twenty-five years of age, or 121 any other depiction designed in any manner to be appealing to a person 122 under twenty-five years of age;
 - (2) Engage in advertising by means of television, radio, Internet, mobile applications, social media, or other electronic communication, billboard or other outdoor signage or print publication unless the advertiser has reliable evidence that at least ninety per cent of the audience for the advertisement is reasonably expected to be twenty-five years of age or older;
 - (3) Engage in advertising or marketing directed toward location-based devices, including, but not limited to, cellular phones, unless the marketing is a mobile device application installed on the device by the owner of the device who is twenty-five years of age or older and includes a permanent and easy opt-out feature and warnings that the use of cannabis is restricted to persons twenty-five years of age or older;"
- Strike subdivision (13) of subsection (a) of section 33 in their entirety and insert the following in lieu thereof:

123

124

125

126

127

128

129

130

131

132

133

"(13) Operate any web site advertising or depicting cannabis, cannabis products or cannabis paraphernalia unless such web site verifies that the entrants or users are twenty-five years of age or older."

- Strike subsection (b) of section 33 in its entirety and insert the following in lieu thereof:
- "(b) Any advertisements from a cannabis establishment shall contain the following warning: "Do not use cannabis if you are under twentyfive years of age. Keep cannabis out of the reach of children." In a print or visual medium, such warning shall be conspicuous, easily legible and shall take up not less than ten per cent of the advertisement space. In an audio medium, such warning shall be at the same speed as the rest of the advertisement and be easily intelligible."
- Strike subdivision (5) of subsection (c) of section 33 in its entirety and insert the following in lieu thereof:
- "(5) Is customarily associated with persons under the age of twentyfive."
- Strike subsection (i) of section 35 in its entirety and substitute the following in lieu thereof:
 - "(i) All applicants selected in the lottery and not denied shall be provided a provisional license application, which shall be submitted in a form and manner prescribed by the commissioner. Applicants shall have sixty days from the date they receive their provisional application to complete the application. The right to apply for a provisional license is nontransferable. Upon receiving a provisional application from an applicant, the department shall review the application for completeness and to confirm that all information provided is acceptable and in compliance with this section and any regulations adopted under this section. If a provisional application does not meet the standards set forth in this section, the applicant shall not be provided a provisional license. A provisional license shall expire after fourteen months and shall not be renewed. A provisional licensee may apply for a final license of the

155

156

157

158

159

160

161

162

163

164

165

166

168 license type for which the licensee applied during the initial application 169 period. A provisional license shall be nontransferable. If the provisional 170 application does not meet the standards set forth in this section or is not completed within sixty days, the applicant shall not receive a 171 172 provisional license. The decision of the department not to award a 173 provisional license shall be final and may be appealed in accordance 174 with section 4-183 of the general statutes. Nothing in this section shall 175 prevent a provisional applicant from submitting an application for a 176 future lottery."

- 177 Strike subdivisions (4) and (5) of subsection (j) of section 35 in their entirety and renumber the remaining subdivisions in their entirety
- 179 Strike section 51 in its entirety and substitute the following in lieu 180 thereof:
 - "Sec. 51. (NEW) (Effective from passage) (a) As used in this section, "state employee" has the same meaning as provided in section 1-79 of the general statutes, "communicator lobbyist" has the same meaning as provided in section 1-91 of the general statutes and "state contractor" and "principal state contractor" have the same meanings as provided in section 9-612 of the general statutes.
 - (b) No member of the Social Equity Council and no employee of the Social Equity Council or department who carries out the licensing, inspection, investigation, enforcement or policy decisions authorized by RERACA, and any regulations enacted pursuant thereto, may, directly or indirectly, have any management or financial interest in the cultivation, manufacture, sale, transportation, delivery or testing of cannabis in this state, nor receive any commission or profit from nor have any interest in purchases or sales made by persons authorized to make such purchases or sales pursuant to RERACA. No provision of this section shall prevent any such member or employee from purchasing and keeping in his or her possession, for his or her personal use or the use of such member's or employee's family or guests, any cannabis which may be purchased or kept by any person by virtue of

178

181

182

183

184

185

186

187

188

189

190

191

192

193

194

195

196

197

198

700	$D \cup D \wedge C \wedge A$	
200	RERACA	

206

207

208

209

210

(c) No former member of the Social Equity Council or such member's spouse and former state employee or such employee's spouse shall, within two years of leaving state service, be eligible to apply either individually or with a group of individuals for a cannabis establishment license.

- (d) No former member of the General Assembly or state-wide elected public official or such member's or official's spouse shall, within two years of such member or official leaving state service, be eligible to apply either individually or with a group of individuals for a cannabis establishment license.
- (e) No former communicator lobbyist who was registered under chapter 10 of the general statutes or such lobbyist's spouse shall, within two years of the termination of such lobbyist's registration under said chapter, be eligible to apply either individually or with a group of individuals for a cannabis establishment license.
- (f) No principal of a state contractor or such principal's spouse shall, within two years of the completion of the principal's last state contract, be eligible to apply either individually or with a group of individuals for a cannabis establishment license."
- Strike subdivision (1) of subsection (h) of section 61 in its entirety and substitute the following in lieu thereof:
- "(1) Any person, or any officer, director or partner thereof, who fails to comply with any provision of this section shall be liable to the state for a civil penalty of not more than five hundred dollars for each day during which such person is in violation of this section. Such penalty may be recovered in a civil action brought by the Attorney General."
- 227 Strike section 65 in its entirety and insert the following in lieu thereof:
- "Sec. 65. (*Effective from passage*) Not later than January 1, 2023, the Alcohol and Drug Policy Council, jointly with the Departments of

230 Public Health, Mental Health and Addiction Services and Children and 231 Families, shall make recommendations to the Governor and the joint 232 standing committees of the General Assembly having cognizance of 233 matters relating to public health, the judiciary and finance, revenue and 234 bonding regarding (1) efforts to promote public health, science-based 235 harm reduction, mitigate misuse and the risk of addiction to cannabis 236 and the effective treatment of addiction to cannabis with a particular 237 focus on individuals under twenty-five years of age; (2) the collection 238 and reporting of data to allow for epidemiological surveillance and 239 review of cannabis consumption and the impacts thereof in the state; (3) 240 impacts of cannabis legalization on the education, mental health and 241 social and emotional health of individuals under twenty-five years of 242 age; and (4) any further measures the state should take to prevent usage 243 of cannabis by individuals under twenty-five years of age, including, 244 but not limited to, product restrictions and prevention campaigns."

Strike subsection (a) of section 100 in its entirety and substitute the following in lieu thereof:

- "(a) Except as provided in subsection (b) of this section, if an employer has violated any provision of section 98 or 99 of this act, an individual aggrieved by such violation may bring a civil action for judicial enforcement of such provision in the superior court for the judicial district where the violation is alleged to have occurred, or where the employer has its principal office, within ninety days of such alleged violation. Any individual who prevails in such civil action may be awarded reinstatement of the individual's previous employment or job offer, back wages and reasonable attorney's fees and costs, to be taxed by the court."
- Strike sections 102 and 103 in their entirety, and renumber the remaining sections and internal references accordingly
- Strike section 105 in its entirety and insert the following in lieu thereof:
- 261 "Sec. 105. (NEW) (Effective July 1, 2021) Any cannabis establishment

245

246

247

248

249

250

251

252

253

254

255

licensee or any servant or agent of a licensee who sells or delivers

- 263 cannabis or cannabis paraphernalia to any person under twenty-five
- years of age shall be guilty of a class A misdemeanor. For purposes of
- 265 this section, "paraphernalia" has the same meaning as provided in
- 266 section 1 of this act."
- Strike subsection (d) of section 106 in its entirety and insert the
- 268 following in lieu thereof:
- "(d) In any prosecution of a licensee or an agent or employee of a
- licensee for selling or delivering cannabis to a person under twenty-five
- years of age in violation of section 105 of this act, or for providing
- 272 cannabis to a person under twenty-five years of age in violation of
- section 163 of this act, it shall be an affirmative defense that such
- licensee, agent or employee sold or delivered cannabis to such person in
- 275 good faith and in reasonable reliance upon the identification presented
- 276 by such person and, pursuant to subsection (a) of this section,
- 277 photographed the person and made a photocopy of such identification.
- 278 In support of such defense, such licensee, agent or employee may
- introduce evidence of such photograph and photocopy."
- Strike sections 107 to 110, inclusive, in their entirety and insert the
- 281 following in lieu thereof:
- "Sec. 107. (NEW) (Effective July 1, 2021) Any person who induces any
- 283 person under twenty-five years of age to procure cannabis from any
- 284 person licensed to sell such cannabis shall be guilty of a class A
- 285 misdemeanor. The provisions of this section shall not apply to (1) the
- procurement of cannabis by a person over eighteen years of age who is
- an employee registered pursuant to the provisions of section 29 of this
- act where such procurement is made in the course of such person's employment or business, or (2) any such inducement in furtherance of
- 290 an official investigation or enforcement activity conducted by a law
- 291 enforcement agency. Nothing in this section shall be construed to
- 292 prevent any action from being taken against any person permitted to
- 293 sell cannabis who has sold cannabis to a person under twenty-five years

of age who is participating in an official investigation or enforcement activity conducted by a law enforcement agency.

- Sec. 108. (NEW) (*Effective July 1*, 2021) (a) Each person who attains the age of twenty-five years and has a motor vehicle operator's license or identity card issued in accordance with the provisions of section 1-1h of the general statutes, containing a full-face photograph of such person, may use, and each licensee may accept, such license as legal proof of the age of the person for the purposes of RERACA.
- (b) Any person who, for the purpose of procuring cannabis, misrepresents his or her age or uses or exhibits an operator's license belonging to any other person shall for (1) a first offense, be fined not more than two hundred fifty dollars, and (2) any subsequent offense, be guilty of a class D misdemeanor.
- (c) The provisions of this section shall not apply to any person employed by, or who has contracted directly or indirectly with, a state agency for the purposes of testing the age verification and product controls of cannabis retailers while performing such testing duties.
- Sec. 109. (NEW) (*Effective July 1, 2021*) (a) No person having possession of, or exercising dominion and control over, any dwelling unit or private property shall: (1) Knowingly or recklessly permit any person under twenty-five years of age to possess cannabis in violation of section 21-279a of the general statutes, in such dwelling unit or on such private property, or (2) knowing that any person under twenty-five years of age possesses cannabis in violation of section 21-279a of the general statutes, in such dwelling unit or on such private property, fail to make reasonable efforts to halt such possession.
- (b) Any person who violates the provisions of subsection (a) of this section shall be guilty of a class A misdemeanor.
- Sec. 110. (NEW) (*Effective July 1, 2021*) (a) No retailer or hybrid retailer or employee or agent of a retailer or hybrid retailer shall permit any person under twenty-five years of age to loiter on his or her premises

325 where cannabis is kept for sale or be in any room on such premises

- where cannabis is consumed, unless such person is (1) an employee of
- 327 the retailer or hybrid retailer, (2) in the case of hybrid retailer or
- employee or agent of a hybrid retailer, permitted under chapter 420f of
- 329 the general statutes to possess or consume cannabis, or (3) accompanied
- 330 by his or her parent or guardian.
- 331 (b) Any retailer or hybrid retailer or employee or agent of a retailer
- or hybrid retailer who violates the provisions of subsection (a) of this
- 333 section shall be (1) fined not more than one thousand dollars for a first
- offense, and (2) guilty of a class B misdemeanor for any subsequent
- 335 offense."
- 336 Strike subsection (i) of section 125 in its entirety and insert the
- 337 following in lieu thereof:
- "(i) The tax received by the state under this section shall be deposited
- as follows: Fifty per cent of such tax received in the Prevention and
- 340 Recovery Services Fund established under section 128 of this act,
- 341 twenty-five per cent of such tax received in the Social Equity and
- 342 Innovation Fund established under section 128 of this act and twenty-
- 343 five per cent of such tax received in the Victim Restoration Fund
- established under section 128 of this act."
- 345 Strike section 128 in its entirety and insert the following in lieu
- 346 thereof:
- 347 "Sec. 128. (NEW) (*Effective July 1, 2021*) (a) (1) There is established an
- 348 account to be known as the "cannabis regulatory and investment
- 349 account" which shall be a separate, nonlapsing account within the
- 350 General Fund. The account shall contain any moneys required by law to
- be deposited in the account. Moneys in the account shall be allocated by
- 352 the Secretary of the Office of Policy and Management to state agencies
- 353 for the purpose of paying costs incurred to implement the activities
- authorized under RERACA, as defined in section 1 of this act.
- 355 (2) Notwithstanding the provisions of section 34 of this act, for the

fiscal year ending June 30, 2022, the following shall be deposited in the cannabis regulatory and investment account: (A) All fees received by the state pursuant to section 30 of this act and subdivisions (1) to (11), inclusive, of subsection (c) of section 34 of this act; and (B) the tax received by the state under chapter 219 of the general statutes from a cannabis retailer, hybrid retailer or micro-cultivator, as those terms are defined in section 125 of this act.

- (b) (1) There is established an account to be known as the "social equity and innovation account" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be allocated by the Secretary of the Office of Policy and Management to state agencies for the purpose of (A) paying costs incurred by the Social Equity Council, as defined in section 1 of this act, and (B) administering programs under RERACA to provide (i) access to capital for businesses, (ii) technical assistance for the start-up and operation of a business, (iii) funding for workforce education, and (iv) funding for community investments.
- (2) Notwithstanding the provisions of sections 34 and 149 of this act, for the fiscal year ending June 30, 2022, the following shall be deposited in the social equity and innovation account: All fees received by the state pursuant to sections 26, 145 and 149 of this act and subdivisions (12) and (13) of subsection (c) of section 34 of this act.
- (c) (1) There is established a fund to be known as the "Social Equity and Innovation Fund" which shall be a separate, nonlapsing fund. The fund shall contain any moneys required by law to be deposited in the fund and shall be held by the Treasurer separate and apart from all other moneys, funds and accounts. Moneys in the fund shall be appropriated for the purposes of providing the following: Access to capital for businesses; technical assistance for the start-up and operation of a business; funding for workforce education; and funding for community investments. All such appropriations shall be dedicated to expenditures that further the principles of equity, as defined in section 1 of this act.

(2) (A) For the purposes of subdivision (1) of this subsection, for the fiscal year ending June 30, 2023, and for each fiscal year thereafter, the Social Equity Council shall transmit, for even-numbered years, estimates of expenditure requirements and for odd-numbered years, recommended adjustments and revisions, if any, of such estimates, to the Secretary of the Office of Policy and Management, in the manner prescribed for a budgeted agency under subsection (a) of section 4-77 of the general statutes. The council shall recommend for each fiscal year commencing with the fiscal year ending June 30, 2023, appropriate funding for all credits payable to angel investors that invest in cannabis businesses pursuant to section 12-704d of the general statutes.

- (B) The Office of Policy and Management may not make adjustments to any such estimates or adjustments and revisions of such estimates transmitted by the council. Notwithstanding any provision of the general statutes or any special act, the Governor shall not reduce the allotment requisitions or allotments in force pursuant to section 4-85 of the general statutes or make reductions in allotments in order to achieve budget savings in the General Fund, concerning any appropriations made by the General Assembly for the purposes of subdivision (1) of this subsection.
- (d) There is established a fund to be known as the "Prevention and Recovery Services Fund" which shall be a separate, nonlapsing fund. The fund shall contain any moneys required by law to be deposited in the fund and shall be held by the Treasurer separate and apart from all other moneys, funds and accounts. Moneys in the fund shall be appropriated for the purposes of (1) substance abuse prevention, treatment and recovery services, and (2) collection and analysis of data regarding substance use.
- (e) There is established a fund to be known as the "Victim Restoration Fund" which shall be a separate, nonlapsing fund. The fund shall contain any moneys required by law to be deposited in the fund and shall be held by the Treasurer separate and apart from all other moneys, funds and accounts. Moneys in the fund shall be appropriated to the

Judicial Department for the purposes of supplementing the victim compensation program administered by the Office of Victim Services established under section 54-203 of the general statutes and for the payment of compensation to victims of offenses involving controlled substances, as deemed appropriate by a majority of the victim compensation commissioners."

Strike subsection (a) of section 149 in its entirety and substitute the following in lieu thereof:

"(a) Thirty days after the Social Equity Council posts the criteria for social equity applicants on its Internet web site, the department shall open up a three-month application period for cultivators during which a social equity applicant may apply to the department for a provisional cultivator license and final license for a cultivation facility located in a disproportionately impacted area without participating in a lottery or request for proposals. Such application for a provisional license shall be granted upon (1) verification by the Social Equity Council that the applicant meets the criteria for a social equity applicant; (2) the applicant submitting to and passing a criminal background check; and (3) payment of a three-million-dollar fee to be deposited in the Social Equity and Innovation Fund established in section 128 of this act."

Strike section 163 in its entirety and inset the following in lieu thereof:

"Sec. 163. (NEW) (*Effective October 1, 2021*) Any person twenty-five years of age or older who sells, delivers or gives cannabis, as defined in section 1 of this act, to any person under twenty-five years of age, and who knew or should have known that such person was under twenty-five years of age, shall be guilty of a class A misdemeanor."

428

429

430

431

432

433

434

435

436

437438

439

440

441

442

443 444

445

446